

Abstract of the Invention

5 A method of managing resources in a switched network including the steps of assigning a respective WtP value to each of a plurality of network users, assigning
10 respective set point values for a network performance parameter for each of a plurality of routers in the network, assigning a respective initial price value to each router which is associated with the network performance parameter at the router, and operating a first control loop which is operable to receive respective measures of the actual network performance at each of the routers, calculate for each router, a plurality of
15 difference values which are the respective differences between the actual performance and the set point for each router, adjust the price value for each router by a factor based on the respective difference value, generate a flow price value for each user by summing the price values for each of the routers in the path of the respective user's desired data flow through the network, allocate a resource share value for each user
20 which represents the value of the respective WtP value divided by the respective flow price value, and cause the ingress router for each user to restrict flow into the network ingress from each user in accordance with each user's allocated resource share value, whereby the actual network performance at each router is made to converge to the set point value for the respective router by automatic admission control adjustments at the network ingress routers.

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